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BEFORE THE ARIZONA CORPORATION COMMISSION

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Arizona Corporation Commission

DOCKETED

MAY -5 2009

DOCKETED BY

IN THE MATTER OF THE APPLICATION  
OF ARIZONA PUBLIC SERVICE  
COMPANY FOR APPROVAL TO REVISE  
APS GREEN POWER RATE SCHEDULE  
GPS-1 AND GPS-2 PURSUANT TO  
DECISION NO. 69663

DOCKET NO. E-01345A-08-0614

**APPLICATION FOR APPROVAL  
OF UPDATED GPS-1 AND GPS-2  
RATE SCHEDULES AND NEW  
GREEN POWER RATE  
SCHEDULE GPS-3**

Arizona Public Service Company ("APS" or "Company") hereby submits this application for approval of the Company's green power rate schedules: GPS-1, GPS-2 and GPS-3. APS's Green Power Rate Schedules provide customers with the ability to purchase electricity generated from renewable resources for their homes and/or businesses.

Rate Schedules GPS-1 and GPS-2 were originally submitted to the Arizona Corporation Commission ("Commission") on December 23, 2008 ("December Filing") to update the rates charged under these schedules. The GPS-1 and GPS-2 rates in this filing replace those submitted in December. The December Filing sought approval to change the green power premium rates to incorporate APS's updated renewable generation costs and avoided generation costs; to include marketing costs in the premium charge, which will be used to enhance customer awareness and participation in the green power rates; and to limit the amount of kilowatt hour ("kWh") blocks or kWh per customer in order to better administer these particular rates. As a result of the requested changes, customers' rates will decrease from \$0.01 to \$0.004 per kWh. In this filing, APS has simply made minor modifications to GPS-1 and GPS-2 to add clarification and to reflect language from the

1 Renewable Energy Standard ("RES")<sup>1</sup> Rules in those schedules. Rate Schedules GPS-1 and  
2 GPS-2 are attached as Attachments A and B.

3 The proposed GPS-3 rate schedule is a new rate schedule; it has not been offered for  
4 Commission consideration in a previous filing. The GPS-3 rate schedule would offer  
5 renewable energy or "green power" to APS customers for special events, where the energy  
6 would be needed for a relatively limited period of time. The GPS-3 rate schedule would be  
7 available to APS customers requesting green power for a single event that may cover multiple  
8 days or venues. This service is not provided for in the Company's existing green power rate  
9 schedules, GPS-1 and GPS-2, because under those schedules customers acquire green power  
10 on a monthly basis and must commit to stay on the rate for a minimum of one year.

11 Under Schedule GPS-3, a customer could contract for a specific number of 100  
12 kilowatt hour ("kWh") blocks of green power, at a minimum purchase of \$500.00 per  
13 transaction. A customer may use the green kWh for one or more events at their discretion.  
14 The Green Power Premium rate will initially be set equal to the rate specified in Schedule  
15 GPS-1, and would be updated annually at the same time as Schedules GPS-1 and GPS-2.  
16 This rate reflects the Company's cost of green power that is above the avoided cost of  
17 conventional generation. Consistent with Schedules GPS-1 and GPS-2, all other provisions  
18 of the customer's current applicable rate schedule would apply in addition to the green power  
19 surcharge. Rate Schedule GPS-3 is attached as Attachment C.

20 The Company is seeking specific Commission approval of these green power rate  
21 schedules; therefore, APS waives the requirement that the Commission take action within a  
22 thirty-day period, as prescribed by A.R.S. § 40-367.

23 RESPECTFULLY SUBMITTED this 5th day of May, 2009.

24 PINNACLE WEST CAPITAL CORPORATION  
25 LAW DEPARTMENT

26 By: 

27 Deborah R. Scott

28 Attorney for Arizona Public Service Company

<sup>1</sup> A.A.C. R14-2-1801 through 1816.

1 ORIGINAL and thirteen (13) copies  
2 of the foregoing filed this 5th day of  
3 May, 2009, with:

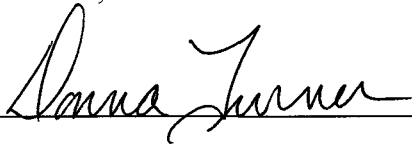
4 Docket Control  
5 ARIZONA CORPORATION COMMISSION  
6 1200 West Washington Street  
7 Phoenix, Arizona 85007

8 COPY of the foregoing delivered/mailed this  
9 5th day of May, 2009 to:

10 Lyn Farmer  
11 Chief Administrative Law Judge  
12 Hearing Division  
13 ARIZONA CORPORATION COMMISSION  
14 1200 West Washington  
15 Phoenix, Arizona 85007

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17 Legal Division  
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22 Utilities Division  
23 ARIZONA CORPORATION COMMISSION  
24 1200 West Washington Street  
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26  
27  
28  


# **Attachment A**

**GPS-1  
NON-REDLINED  
VERSION**



## ADJUSTMENT SCHEDULE GPS-1 GREEN POWER BLOCK SCHEDULE

### APPLICATION

Adjustment Schedule GPS-1 ("GPS-1") shall be applied to Standard Offer customers who wish to purchase electricity generated from renewable sources for their homes and/or businesses. All provisions of the customer's current applicable rate schedule will apply in addition to this surcharge. However, the charges in Adjustment Schedule EIS and Adjustment Schedule RES, or successor schedules as approved by the Arizona Corporation Commission, will not apply to the Green Power kWh served in accordance with GPS-1, up to 100% of the customer's total monthly kWh supplied by the Company.

Electricity from renewable sources shall be referred to herein as "Green Power". Green Power may be:

1. Company-owned generation using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors).
2. Generation not owned by the Company, but owned by another party for which the Company has contracted using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors).

### TYPE OF SERVICE

The Company will offer electricity generated from renewable resources delivered through the Company's electric distribution system.

Effective xxxxx the Company, at its' discretion, may limit the number of kWh blocks sold to any one customer to no more than five percent of total Green Power procured for service under schedules GPS-1, GPS-2, and GPS3.

The customer shall subscribe for a specific number of blocks of electricity generated from renewable resources. Each block shall equal 100 kWh per month. The monthly charge is based upon the number of blocks subscribed for by the customer.

The Company shall limit the participation in GPS-1 based on the Green Power available to provide service under this rate schedule.

Customers are required to subscribe for a minimum of one year, but can commit to subscribe for a longer period at their discretion. Charges under this schedule will be adjusted annually with Commission approval. Customers may cancel GPS-1 service if the charges increase during the one year or longer commitment period.

GPS-1 may not be used in conjunction with rate schedules GPS-2, Solar-2, Solar-3, or SP-1.

### SERVICE CHARGES

Service under this rate schedule shall be billed the Green Power Block rate of \$0.40 per month for each 100 kWh block of Green Power. This charge is based on the Green Power Premium rate of \$0.004 per kWh of Green Power times 100 kWh.

**GPS-1  
REDLINED  
VERSION**



## ADJUSTMENT SCHEDULE GPS-1 GREEN POWER BLOCK SCHEDULE

### APPLICATION

Adjustment Schedule GPS-1 ("GPS-1") shall be applied to Standard Offer customers who wish to purchase electricity generated from renewable sources for their homes and/or businesses. All provisions of the customer's current applicable rate schedule will apply in addition to this surcharge. However, the charges in Adjustment Schedule EIS and Adjustment Schedule ~~EPS-1~~RES, or successor schedules as approved by the Arizona Corporation Commission, will not apply to the Green Power kWh served in accordance with GPS-1, up to 100% of the customer's total monthly kWh supplied by the Company.

Electricity from renewable sources shall be referred to herein as "Green Power". Green Power may be:

1. Company-owned generation using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors)~~a renewable resource including, but not limited to, solar, biomass, biogas, wind, geothermal, or small hydroelectric.~~
2. Generation not owned by the Company, but owned by another party for which the Company has contracted using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors)~~including, but not limited to, solar, biomass, wind, geothermal, or small hydroelectric.~~

~~In any event, the renewable energy that is provided under this adjustment schedule is limited to those resources eligible pursuant to A.A.C. R14-2-1802 or other relevant rules approved by the Commission, as may be modified or updated from time to time.~~

### TYPE OF SERVICE

The Company will offer electricity generated from renewable resources delivered through the Company's electric distribution system.

Effective xxxxx the Company, at its' discretion, may limit the number of kWh blocks sold to any one customer to no more than five percent of total Green Power procured for service under schedules GPS-1, and GPS-2, and GPS3.

The customer shall subscribe for a specific number of blocks of electricity generated from renewable resources. Each block shall equal 100 kWh per month. The monthly charge is based upon the number of blocks subscribed for by the customer. ~~The Company may assign limits to the number of kWh blocks sold per customer.~~

The Company shall limit the participation in GPS-1 based on the Green Power available to provide service under this rate schedule.

Customers are required to subscribe for a minimum of one year, but can commit to subscribe for a longer period at their discretion. Charges under this schedule will be adjusted annually with Commission approval. Customers may cancel GPS-1 service if the charges increase during the one year or longer commitment period.

~~A customer may only subscribe to one green power or solar rate option. GPS-1 may not be used in conjunction with rate schedules GPS-2, Solar-2, Solar-3, or SP-1.~~

### SERVICE CHARGES

ARIZONA PUBLIC SERVICE COMPANY  
Phoenix, Arizona  
Filed by: David J. Rumolo  
Title: Manager, Regulation and Pricing  
Original Effective Date: July 1, 2007

A.C.C. No. ~~5681~~XXXX  
Canceling A.C.C. No. 5681  
Adjustment Schedule GPS-1  
Original Revision 1  
Effective: ~~July 1, 2007~~XXXXX





## ADJUSTMENT SCHEDULE GPS-1 GREEN POWER BLOCK SCHEDULE

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Service under this rate schedule shall be billed the Green Power Block rate of ~~\$1.00~~0.40 per month for each 100 kWh block of Green Power. This charge is based on the Green Power Premium rate of ~~\$0.01~~0.004 per kWh of Green Power times 100 kWh.

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ARIZONA PUBLIC SERVICE COMPANY  
Phoenix, Arizona  
Filed by: David J. Rumolo  
Title: Manager, Regulation and Pricing  
Original Effective Date: July 1, 2007

A.C.C. No. ~~5681~~XXXX  
Canceling A.C.C. No. 5681  
Adjustment Schedule GPS-1  
~~Original~~Revision 1  
Effective: ~~July 1, 2007~~XXXXXX

## **Attachment B**

**GPS-2  
NON-REDLINED  
VERSION**



## ADJUSTMENT SCHEDULE GPS-2 GREEN POWER PERCENT SCHEDULE

### APPLICATION

Adjustment Schedule GPS-2 ("GPS-2") shall be applied to Standard Offer customers who wish to purchase electricity generated from renewable sources for their homes and/or businesses. All provisions of the customer's current applicable rate schedule will apply in addition to this surcharge. However, the charges in Adjustment Schedule EIS and Adjustment Schedule RES, or successor schedules as approved by the Arizona Corporation Commission, will not apply to the Green Power kWh served in accordance with GPS-2, up to 100% of the customer's total monthly kWh consumption.

Electricity from renewable sources shall be referred to herein as "Green Power". Green Power may be:

1. Company-owned generation using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors).
2. Generation not owned by the Company, but owned by another party for which the Company has contracted using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors).

### TYPE OF SERVICE

The Company will offer Green Power through the Company's electric distribution system.

Effective xxxxxx the Company, at its' discretion, may limit the kWh sold to any one customer to no more than five percent of total Green Power procured for service under schedules GPS-1, GPS-2, and GPS-3. The Company shall limit the participation in GPS-2 based on the Green Power available to provide service under this rate schedule.

Customers are required to subscribe for a minimum of one year, but can commit to subscribe for a longer period at their discretion. Charges under this schedule will be adjusted annually with Commission approval. Customers may cancel GPS-2 service if the charges increase during the one year or longer commitment period.

GPS-2 may not be used in conjunction with rate schedules GPS-1, Solar-2, Solar-3, or SP-1.

### SERVICE CHARGES

Four options are available. The charges hereunder represent charges to be added to energy charges (\$/kWh basis) under the customer's applicable rate schedule and applied to the customer's total monthly kWh (including non-Green Power kWh, if any) supplied by the Company. The charges are based on the Green Power Premium rate of \$0.004 per kWh of Green Power.

- A. Green Power shall account for 100.0% of the total monthly kWh supplied by the Company.  
Additional Charge per kWh: \$0.004
- B. Green Power shall account for 50.0% of the total monthly kWh supplied by the Company.  
Additional Charge per kWh: \$0.002
- C. Green Power shall account for 35.0% of the total monthly kWh supplied by the Company.  
Additional Charge per kWh: \$0.0014
- D. Green Power shall account for 10.0% of the total monthly kWh supplied by the Company. This option is not available to residential customers.  
Additional Charge per kWh: \$0.0004

**GPS-2  
REDLINED  
VERSION**



## ADJUSTMENT SCHEDULE GPS-2 GREEN POWER PERCENT SCHEDULE

### APPLICATION

Adjustment Schedule GPS-2 ("GPS-2") shall be applied to Standard Offer customers who wish to purchase electricity generated from renewable sources for their homes and/or businesses. All provisions of the customer's current applicable rate schedule will apply in addition to this surcharge. However, the charges in Adjustment Schedule EIS and Adjustment Schedule ~~EPS-1~~RES, or successor schedules as approved by the Arizona Corporation Commission, will not apply to the Green Power kWh served in accordance with GPS-2, up to 100% of the customer's total monthly kWh consumption.

Electricity from renewable sources shall be referred to herein as "Green Power". Green Power may be:

1. Company-owned generation using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors)~~a renewable source including, but not limited to, solar, biomass, biogas, wind, geothermal, or small hydroelectric.~~
2. Generation not owned by the Company, but owned by another party for which the Company has contracted using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors)~~including, but not limited to, solar, biomass, wind, geothermal, or small hydroelectric.~~

~~In any event, the renewable energy that is provided under this rate schedule is limited to those resources eligible pursuant to A.A.C. R14-2-1618 or other relevant rules approved by the Commission, as may be modified or updated from time to time.~~

### TYPE OF SERVICE

The Company will offer Green Power through the Company's electric distribution system.

Effective xxxxxx the Company, at its' discretion, may limit the kWh sold to any one customer to no more than five percent of total Green Power procured for service under schedules GPS-1, and GPS-2, and GPS-3.

The Company shall limit the participation in GPS-2 based on the Green Power available to provide service under this rate schedule.

Customers are required to subscribe for a minimum of one year, but can commit to subscribe for a longer period at their discretion. Charges under this schedule will be adjusted annually with Commission approval. Customers may cancel GPS-2 service if the charges increase during the one year or longer commitment period.

~~A customer may only subscribe to one green power or solar rate option. GPS-2 may not be used in conjunction with rate schedules GPS-1, Solar-2, Solar-3, or SP-1.~~

### SERVICE CHARGES

Four options are available. The charges hereunder represent charges to be added to energy charges (\$/kWh basis) under the customer's applicable rate schedule and applied to the customer's total monthly kWh (including non-Green Power kWh, if any) supplied by the Company. The charges are based on the Green Power Premium rate of \$0.004 per kWh of Green Power.

- A. Green Power shall account for 100.0% of the total monthly kWh supplied by the Company.  
Additional Charge per kWh: ~~\$0.01~~\$0.004
- B. Green Power shall account for 50.0% of the total monthly kWh supplied by the Company.  
Additional Charge per kWh: ~~\$0.005~~\$0.002

ARIZONA PUBLIC SERVICE COMPANY  
Phoenix, Arizona  
Filed by: David J. Rumolo  
Title: Manager, Regulation and Pricing  
Original Effective Date: July 1, 2007

A.C.C. No. ~~5682~~XXXX  
Canceling A.C.C. No. 5682  
Adjustment Schedule GPS-2  
OriginalRevision 1  
Effective: July 1, 2007~~XXXX~~



**ADJUSTMENT SCHEDULE GPS-2  
GREEN POWER PERCENT SCHEDULE**

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- C. Green Power shall account for 35.0% of the total monthly kWh supplied by the Company.  
Additional Charge per kWh: ~~\$0.0035~~0.0014
- D. Green Power shall account for 10.0% of the total monthly kWh supplied by the Company. This option is not available to residential customers.  
Additional Charge per kWh: ~~\$0.0040~~0.0004

## **Attachment C**





**ADJUSTMENT SCHEDULE GPS-3  
GREEN POWER BLOCK SCHEDULE  
FOR SPECIAL EVENTS**

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**APPLICATION**

Adjustment Schedule GPS-3 ("GPS-3") shall be applied to Standard Offer customers who wish to purchase electricity generated from renewable sources for their Green Event. A Green Event is temporary in nature and includes, but is not limited to, concerts, sporting events, festivals, fairs, which can be held over single or contiguous multiple days at single or multiple sites. All provisions of the customer's current applicable rate schedule will apply in addition to this surcharge.

Electricity from renewable sources shall be referred to herein as "Green Power." Green Power may be:

1. Company-owned generation using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors).
2. Generation not owned by the Company, but owned by another party for which the Company has contracted using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors).

**TYPE OF SERVICE**

The Company will offer electricity generated from renewable resources delivered through the Company's electric distribution system.

The Company shall limit the participation in GPS-3 based on the Green Power available to provide service under this rate schedule.

The Company, at its' discretion, may limit the number of kWh blocks sold to any one customer to no more than five percent of total Green Power procured for service under schedules GPS-1, GPS-2 and GPS-3.

Each block shall equal 100 kWh subscribed for by the customer.

Charges under this schedule will be adjusted annually with Commission approval.

Because rate schedule GPS-3 is for a temporary event, Section 3.3 of APS' Schedule 1 shall not apply.

**SERVICE CHARGES**

Service under this rate schedule shall be billed the Green Power Block rate of \$0.40 for each 100 kWh block of Green Power for the duration of the special event. This charge is based on the Green Power Premium rate of \$0.004 per kWh of Green Power times 100 kWh. Minimum purchase shall be \$500.00 per transaction.